

NIO/W Contribution to Watch Committee

Falkland Islands: Negotiations have reached an impasse and the Thatcher government is prepared to gamble on high-risk landing operations in the next few days. The Argentines may respond by calling for an immediate ceasefire in place not linked to a mutual withdrawal of forces.

The British may be underestimating the combat capabilities of the Argentine garrison. A military debacle or at least an inconclusive and costly struggle cannot be ruled out. The outcome may hinge on imponderables such as weather and sea conditions and on the Argentine Air Force's ability to inflict extensive casualties on the invasion force, British warships and troop transports. If British forces sustain heavy losses, or if the invasion force has to be evacuated, Thatcher probably would be forced to resign. Failure of landing operations would increase the chances of British attacks on mainland bases.

On the other hand, an Argentine military humiliation would aggravate divisions between senior Argentine commanders and probably oblige Galtieri to resign. A defeat also might precipitate the overthrow of the present junta and result in a political upheaval that would place US and British citizens in Argentina in serious jeopardy.

Israel-Lebanon: The withdrawal of Syrian tanks north of the Red Line has eased the confrontation temporarily. Although Begin is said to regard the July 1981 ceasefire as "null and void," he apparently prefers to withhold a major attack on PLO forces until it can be justified as a response to a "clear provocation." The political confusion created by the defection of two Likud members of parliament probably will also influence Begin to maintain restraint for the time being.

Iran-Iraq: Saddam Hussein is taking a potentially fatal gamble in his reported decision to defend Khorramshahr regardless of the casualties. The Iranians may attempt to place the city under siege and threaten Al Basrah in hopes of stimulating a Shia insurrection. Iran's prime minister has publicly hinted at an invasion of Iraqi territory and has made the fall of the Baghdad regime a precondition for peace.

Poland: Moscow's heightened concern over the demonstrations in early May and strikes in major cities on 13 May has prompted party secretary Rusakov's visit to Poland. The Soviets' interest in engaging the US in strategic arms talks probably will lead them to urge Polish authorities to contain the unrest without resorting to draconian measures.

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